

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the matter of	)	
	)	
Intelsat North America, LLC	)	
Request for Extension of Special Temporary Authority	)	File No. SAT-STA-20040615-00116
	)	
	)	

**ORDER**

**Adopted: July 30, 2004**

**Released: July 30, 2004**

By the Chief, International Bureau:

**I. INTRODUCTION**

1. In this Order, we grant a request filed by Intelsat North America, LLC (“Intelsat”) for extension of a grant of Special Temporary Authority (“STA”)<sup>1</sup> that permits Intelsat to provide “additional services,” as defined in the Open-Market Reorganization for the Betterment of International Telecommunications Act (“ORBIT Act”).<sup>2</sup> The STA was granted to Intelsat in the *Loral/Intelsat Order*,<sup>3</sup> and allows Intelsat to continue providing “additional services” to former customers of Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession) (collectively “Loral”), acquired by Intelsat as a result of the assignment transaction.<sup>4</sup> For the reasons stated below, we find that maintaining the *status quo* of the STA is warranted at this time, and that granting Intelsat’s *STA Extension Request* is in the public interest.

**II. BACKGROUND**

2. On February 11, 2004, the International Bureau (“Bureau”) released the *Loral/Intelsat Order*, which approved, subject to certain conditions, the assignment of five satellite authorizations from

<sup>1</sup> Intelsat North America, LLC, Request for Extension of Temporary Authority (“*STA Extension Request*”), Public Notice, Policy Branch Information, Report No. SAT-00221 (June 18, 2004).

<sup>2</sup> Congress amended the Satellite Communications Act of 1962, 47 U.S.C. § 701 *et seq.* (Satellite Act) by adopting the ORBIT Act, Pub. L. No. 106-180, 114 Stat. 48 (2000), *codified at* 47 U.S.C. § 761 *et seq.* The ORBIT Act adds Title VI to the Satellite Act, entitled “Communications Competition and Privatization.” For the sake of convenience, statutory section numbers referenced in the Order are to the Satellite Act, as amended by the ORBIT Act. Also, we refer to the Satellite Act, as amended by the ORBIT Act, simply as the “ORBIT Act.”

<sup>3</sup> *Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession), and Intelsat North America, LLC, Applications for Consent to Assignments of Space Station Authorizations and Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Order and Authorization, 19 FCC Rcd 2404 (2004) (“*Loral/Intelsat Order*”).

<sup>4</sup> *Loral/Intelsat Order*, 19 FCC Rcd at 2430. The STA expires September 13, 2004, 180 days after consummation of the assignment transaction. *See also*, *Loral Satellite, Inc. (Debtor-in-Possession) et. al.*, Supplemental Order, 19 FCC Rcd 4029, 4031 (2004); *and Loral Satellite, Inc. (Debtor-in-Possession) et. al.*, Order, 19 FCC Rcd 7014, 7016-17 (2004).

Loral to Intelsat.<sup>5</sup> In the *Loral/Intelsat Order*, the Bureau adopted an STA to permit Intelsat to continue providing certain “additional services,” as defined by the ORBIT Act,<sup>6</sup> to then existing Loral customers for a period of 180 days.<sup>7</sup> Under the STA, Intelsat is not permitted to add new customers or otherwise expand its provision of “additional services,” as defined by the ORBIT Act.<sup>8</sup>

3. On March 12, 2004, SES AMERICOM, Inc. filed an Application for Review of the *Loral/Intelsat Order*.<sup>9</sup> In its Application, SES AMERICOM argues, among other things, that the Bureau lacked statutory authority to permit Intelsat to provide “additional services” before Intelsat conducts an initial public offering (“IPO”) as required by the ORBIT Act,<sup>10</sup> and therefore, the grant of the STA was an impermissible exercise of delegated authority.<sup>11</sup> Intelsat filed an opposition to SES AMERICOM’s Application for Review on April 1, 2004. The Commission is currently reviewing the issues raised by SES AMERICOM and Intelsat.

4. On June 15, 2004, Intelsat filed a request for extension of the STA. In its *STA Extension Request*, Intelsat argues that an extension of the STA is necessary to avoid undue disruption or discontinuance of service to, and the imposition of higher costs on, customers and end-users during the pendency of the Commission’s review of the *Loral/Intelsat Order*.<sup>12</sup> Intelsat maintains that the Commission’s pending review of the *Loral/Intelsat Order*, which includes issues relating to Intelsat’s authority to provide “additional services,” has created marketplace uncertainty for its customers.<sup>13</sup> According to Intelsat, such uncertainty could adversely affect its customers if they are compelled to enter into a contract for replacement capacity now, before the Commission reaches the merits of the underlying legal issues.<sup>14</sup>

5. On July 19, 2004, SES AMERICOM filed a Petition to Deny Intelsat’s *STA Extension Request*.<sup>15</sup> SES AMERICOM’s objections are largely premised on the arguments that underlie its Application for Review; namely, that the Bureau erred in granting Intelsat STA to provide “additional services” in the *Loral/Intelsat Order*.<sup>16</sup> SES AMERICOM maintains that Intelsat’s *STA Extension Request* should be referred to the full Commission for consolidation with SES AMERICOM’s

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<sup>5</sup> *Loral/Intelsat Order*, 19 FCC Rcd 2404.

<sup>6</sup> Under definitions set forth in the ORBIT Act, the term “additional services” for Intelsat means direct-to-home or direct broadcast satellite video services, or services in the Ka or V bands. See ORBIT Act, § 681(a)(12)(B).

<sup>7</sup> *Loral/Intelsat Order*, 19 FCC Rcd at 2430.

<sup>8</sup> *Loral/Intelsat Order*, 19 FCC Rcd at 2430.

<sup>9</sup> SES AMERICOM, Inc., Application for Review, File Nos. SAT-ASG-20030728-00138/00139 (filed March 12, 2004) (“*SES AMERICOM Application for Review*”).

<sup>10</sup> Among other things, the ORBIT Act requires that Intelsat, Ltd. conduct an IPO to substantially dilute the aggregate ownership of former signatories of INTELSAT, and provides that, until INTELSAT and its successor or separate entities are privatized in accordance with the requirements of the ORBIT Act, it shall not be permitted to provide additional services. See ORBIT Act, § 621(2) and 602(a).

<sup>11</sup> *SES AMERICOM Application for Review* at 20.

<sup>12</sup> *STA Extension Request* at 3-4.

<sup>13</sup> *STA Extension Request* at 4.

<sup>14</sup> *STA Extension Request* at 3-4.

<sup>15</sup> SES AMERICOM, Inc., Petition to Deny, File No. SAT-STA-20040615-00116 (filed July 19, 2004) (“*SES AMERICOM Petition to Deny*”).

<sup>16</sup> *SES AMERICOM Petition to Deny* at 4.

Application for Review.<sup>17</sup> In addition, SES AMERICOM submits that Intelsat fails to justify the need for extending the STA, and contends that any extension would contravene the purpose of the original STA.<sup>18</sup>

### III. DISCUSSION

6. We have reviewed Intelsat's *STA Extension Request* and SES AMERICOM's *Petition to Deny* and conclude that extending the STA is warranted in this case. Given that the Commission is in the process of considering issues related to Intelsat's provision of "additional services" raised by SES Americom's Application for Review, we find that it would be reasonable at this time to maintain the *status quo* while that Application for Review is pending. Thus, our decision to extend the STA is subject to, and conditioned upon, the Commission's findings on the pending Application for Review. Accordingly, we grant Intelsat's *STA Extension Request* for an additional 180 days, from September 14, 2004, to March 14, 2005, or as otherwise directed by the Commission in its ruling on the Application for Review of the *Loral/Intelsat Order*.

### IV. ORDERING CLAUSES

7. Accordingly, IT IS ORDERED pursuant to Sections 4(i), 303(r) and 309 (f) of the Communications Act, 47 U.S.C. §§ 154(i), 303(r) and 309(f), that the Request for Extension of Special Temporary Authority filed by Intelsat North America, LLC on June 15, 2004 is GRANTED to the extent specified herein.

8. IT IS FURTHER ORDERED that the Petition to Deny filed by SES AMERICOM, Inc. is DENIED to the extent specified herein.

FEDERAL COMMUNICATIONS COMMISSION

Donald Abelson  
Chief, International Bureau

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<sup>17</sup> *SES AMERICOM Petition to Deny* at 9.

<sup>18</sup> *SES AMERICOM Petition to Deny* at 7.